

**Iowa Broadband Deployment Governance Board
Application Evaluation Criteria Sub-Committee
August 28, 2009**

The Application Evaluation Criteria Sub-Committee meeting of the Iowa Broadband Deployment Governance Board was held on Friday, August 28, 2009 at the Iowa Utilities Board Offices, Conference Room 1, 1st Floor, 350 Maple Street, Des Moines, IA.

Sub-Committee Board members present were: Edward Pardini, Thomas Hart, Roxanne White, and Mike Haskins.

Pardini called the meeting to order at 9:30 AM. The main discussion for the meeting was to continue the development of an evaluation process, including scoring, for the Broadband Deployment Grants.

Pardini sent a revised score sheet to the group. Pardini inserted Haskins' changes of increasing the wireless upstream speed.

For discussion purposes, Whitman added the middle mile verbiage.
For discussion purposes, Whitman changed the affordability phrase.

Public Entities – Sub-Committee discussed, group agrees with wording.

Pardini wanted to highlight with the 25 point section, for an applicant to receive the full 25 points a private entity would be in a partnership that serves 8,000 households.

Whitman informed the Sub-Committee that there may be discussion from the Board about the 1 point for every 1,000 unserved households.

Wireless Upstream Speeds – group discussed.

Sub-Committee would like to swap the upstream and downstream to reflect the downstream speeds first on the scoring sheet.

Sub-Committee agreed to change the minimum wireline speed to 1.5 Mbps for consistency with the wireless speed.

Affordability of Services Offered

Whitman added verbiage from the federal standards relating to Affordability of Services Offered. The information is broad enough for the applicants to provide their case.

White wanted to add the word “published” to the definition, Hart wanted to add “a-la-cart” to the definition.

Haskins informed the Sub-Committee that all providers should have their own a-la-cart pricing for broadband service, due to bundling not being appropriate for all customer segments.

Sub-Committee discussed and agreed on the verbiage:
Proposed pricing will be evaluated based on comparison to published a-la-cart prices and speeds for existing broadband services in the proposed funded service area.

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Synchronous Technology – group discussed.

Sub-Committee discussed and agreed on the verbiage under Synchronous Technology:
Does the proposal contemplate synchronous data transmission capabilities at speeds greater than 1 mbps? [Possible points to be awarded in the range from one to four points, further point discussion will occur at a later date.]

Sub-Committee agrees on a minimum synchronous speed, but needs additional time to evaluate the proper language.

Middle Mile

Middle mile discussion was tabled to include the Iowa Broadband Deployment Governance Board.

Whitman will revise the score sheet to reflect the Sub-Committee changes (Appendix A).

The next sub-committee meeting will be held Tuesday, September 1st at 10 AM at Iowa Communications Network's, Thompson Conference Room, 400 E. 14th Street, Des Moines, IA 50319.

Pardini adjourned for the Sub-Committee meeting at 10:01 AM.

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(Appendix A)

Criteria	Method	Points	Score	
		Total	0	
PROJECT PURPOSE				
Statutory Purpose				
Unserved Areas	1 point for every 1,000 unserved households	8 pt. max		
Underserved Areas	1 point for every 1,000 underserved households	8 pt. max		
Private Enterprise	Is the applicant a qualified private provider?	12		
Public/Private Partnership	Does the project require public and private collaboration, as appropriate?	5		
Public Entities	Will participation by the public entity promote access in an area that remains unserved or underserved due to lack of private sector investment?	3		
PROJECT BENEFITS				
Speeds Above Federal Minimums				
Based on Last Mile Speeds				
Wireline Providers	Downstream between 1.5 Mbs to 5 Mbs, Upstream Speed >= 512 Kps	3		
	Downstream > 5 Mbs to 8 Mbs, Upstream Speed >= 768 Kps,	5		
	Downstream > 8 Mbs to 10 Mbs, Upstream Speed >= 1 Mbps	7		
	Downstream > 10 Mbs, Upstream Speed > 1 Mbs	9		
Wireless Providers	Downstream between 1.5 Mbs to 2 Mbs, Upstream Speed >= 512 Kps	3		
	Downstream > 2.0 Mbs to 3 Mbs, Upstream Speed >= 768 Kps	5		
	Downstream > 3 Mbs to 4 Mbs, Upstream Speed >= 1 Mbps	7		
	Downstream > 4 Mbs, Upstream Speed >1 Mbs	9		
FOR BOARD'S CONSIDERATION: Middle Mile Projects				
Synchronous Technology	Does the proposal contemplate Synchronous data transmission capabilities at speeds greater than 1 Mbs?	1-4		
Affordability of Services Offered	Proposed pricing will be evaluated based on comparison to published a la carte prices and speeds for existing broadband services in the proposed funded service area. If there are no existing broadband services present, applicant must demonstrate that proposed pricing is appropriate for proposed service area.	1-4		
Community Impact	Rate the project as it relates to community impact for job creation, economic development and other benefits to the targeted community.	1-5		
Speed of Completion	How quickly will the project make available the proposed services to at least one-half of the households in the proposed area?	1-3		
PROJECT VIABILITY				
Complete Funding	To what extent will the project not require any additional funding from the State in the course of normal operations?	1-5		
Applicant's Track Record	Does the applicant possess a record of accomplishment for similar projects?	1-10		

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Financial Metrics	How does the project compare to similar projects? (i.e., Return on Investment, Internal Rate of Return, Net Present Value, Payback, Break-Even Analysis, Capital Cost Per Household, Debt Metrics, etc.)	1-10	
<u>PROJECT BUDGET AND SUSTAINABILITY</u>			
Reasonableness of the budget	Points awarded based on adequacy and completeness of the proposed budget	1-15	
Funding Leverage (Outside funding/government funding)	(i) 10 points if ratio is 10:1 or better, (ii) 7 points if ratio is between 5.0:1 and 9.9:1, (iii) 5 points if the ratio is between 3.0:1 and 4.9:1, and 1 point for ratios greater than or equal to 1:1	1-10	